

RESOLUTION 00-19

**TO AMEND GUIDELINES FOR
THE BLOOMINGTON BUSINESS INCENTIVE LOAN FUND PROGRAM
(Authorizing Bridge Loans for Businesses Jeopardized by City Improvements and
Correcting the Name of the Program)**

- WHEREAS, the Common Council in Ordinance 86-04 established the Industrial Incentive Loan Fund (Fund) with an initial allocation of \$400,000 from the City's Special Non-Reverting Improvement Fund; and
- WHEREAS, the ordinance provided that the repayment of loans "including principle and interest, together with interest income accrued on investment of idle funds within the Industrial Incentive Loan Fund, shall constitute a revolving loan fund from which subsequent loans may be made under the procedures and criteria established by Resolution 86-06"; and
- WHEREAS, in May of 1999 the Council adopted Resolution 99-17, which established new guidelines and procedures for the administration of the Fund; and
- WHEREAS, Resolution 99-17 incorrectly named the program the "Bloomington Business Incentive Fund" rather than the "Bloomington Business Investment Incentive Fund"; and,
- WHEREAS, the City of Bloomington has undertaken a large-scale public works utility project to rehabilitate storm drainage boxes in the Kirkwood and Dunn street business district; and
- WHEREAS, several businesses may be adversely affected by the restrictions placed on automobile traffic in the immediate vicinity of their business during the storm drainage construction; and,
- WHEREAS, it is in the community's interest to create a means of providing temporary assistance to businesses experiencing demonstrable economic distress as a result of a City of Bloomington public works project; and,
- WHEREAS, the current guidelines for the Bloomington Business Investment Incentive Fund do not allow for the loans for short-term operating expenses necessary to maintain a minimum level of operation during the construction period; and,
- WHEREAS, changes to the guidelines are necessary to create a separate review committee to expedite the process to grant low-interest loans to businesses experiencing economic distress as a result of a City of Bloomington public works project; and,
- WHEREAS, these loans would provide up to \$35,000 to each qualifying business to meet minimum operation expenses at an interest rate of two percent, to be paid back in full within one year;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The Common Council declares that the Bloomington Business Incentive Loan Fund Program (as it was named in Resolution 99-17) shall be now known as the "Bloomington Business Investment Incentive Fund" program (hereinafter "Fund").

SECTION 2. The Common Council amends Resolution 86-06 by approving the attached document entitled the "City of Bloomington Business Investment Incentive Fund" (hereinafter "Fund Guidelines") in its entirety as an amendment to the guidelines and procedures of the Fund.


SECTION 3. The Common Council further amends Resolution 86-06 by declaring that the business disruption bridge loan review committee (hereinafter "Committee") created in the attached Fund Guidelines is hereby empowered to approve business disruption bridge loans according to the provisions set forth in the Fund Guidelines and in this resolution. The Committee shall meet as often as is needed to accomplish the goals of the Fund Guidelines, but shall not meet less often than once per calendar year. The Committee may submit claims for loans from the Fund according to the City Controller's standard claim schedule or may request from the City Controller's office a special warrant for expedited release of monies from the Fund if it determines that the business receiving the business disruption bridge loan has demonstrated a reasonable need for the loan proceeds before the date a check would be released pursuant to the Controller's standard claim schedule. The Committee shall not approve any loans after December 31, 2000 and shall dissolve once its duties in regard to the outstanding loans have ceased.

SECTION 4. Once the Committee has dissolved in accordance with Section 3 of this resolution, the Executive Assistant for Economic Development or whatever position is responsible for administering the Fund Guidelines, shall remove the amendments to the Fund Guidelines adopted with this resolution and file a copy of the new Fund Guidelines with the Clerk of the City along with a memo explaining the action.

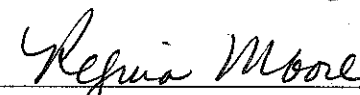
PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 12th day of July, 2000.


TIMOTHY MAYER, President
Bloomington Common Council

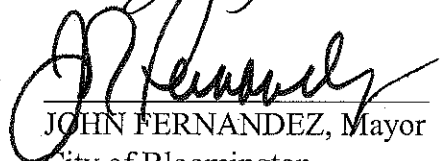
ATTEST:


REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 13th day of July, 2000.


REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 13th day of July, 2000.


JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution amends Resolution 86-06, which established the Industrial Incentive Loan Fund Program, and which was subsequently amended by other resolutions, including Resolution 99-17. It adopts new guidelines, which adds a section to create a business disruption bridge loan for businesses affected by city public works projects. The loans can be used for operating expenses to maintain operations at a minimum level until the construction project is completed. It authorizes a loan review committee to approve business disruption bridge loans and to request expedited release of loan funds upon a demonstration of need by the loan recipient. The resolution also corrects Resolution 99-17 by naming this compendium of loans and grants the Bloomington Business Investment Incentive Fund program.

Note: On July 12, 2000 the Common Council adopted Resolution 00-19 by a vote of 9 – 0 with three amendments.

Am 01 was approved by a vote of 9 – 0 and extended the repayment period of the loans from 1 to 3 years. (affecting Part II (5) (d) (4) of the Fund Guidelines.

Am 02 was defeated by a vote of 3 – 6.

Am 03 was adopted by a vote of 7 – 2 and authorized the approval of loans up until December 31, 2000, dissolved the loan review committee once its obligations towards these loans had ceased, and directed staff to file a redacted version of the guidelines when that occurred. (affecting Sections 3 and 4 of the resolution).

Am 04 was adopted by a vote of 9 – 0 and added two council members to the loan review committee. (affecting Section II (5)(b) of the Fund Guidelines)

Signed Copies to:

Controller

EO. Dev.

Legal

Chamber

Comm for Blmngtn Downtown